

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU EL REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED! FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

With 640 Acres Pooling Provisi

PAID-UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this 8th day of March, 2010, by and between Morice Blackwell and Christine Blackwell whose address is 8109 Cloverglen Lane, Fort Worth, TX 76123 as Lessor, and CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company, whose address is P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee

in consideration of a each beaus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter

SURVEY: J. Jennings ABSTRACT NO: 873

LOT 8, IN BLOCK 43, OF MEADOW CREEK ADDITION, PHASE V, SECTION 1, AN ADDITION TO THE CITY OF FORT WORTH, TARRANT COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 388-115, PAGE 17, PLAT RECORDS OF TARRANT COUNTY, TEXAS.

in the County of TARRANT. State of TEXAS, containing 0.153787 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or in the County of IAKKANI. State of IEAAS, containing <u>0.153/87</u> gross acres, more or less (including any interests therein which Lessor may necessarily necessaril e description of the land so covered For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed whether actually more or less.

- 2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of Three (3) years from the date hereof, and for as long thereafter as oil or gas or other tances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions
- 2. This tease, which is a "pust-up" lease requiring no reatals, shall be in force for a primary furn of __Inter_(1) years from the cast energor, and or as long uncertaint as on or gas on ome substances covered hereby are produced in paying quantities from the leased premises or from thank pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions heroof.

 3. Royalites on oil, gas and other substances produced and saved hereunder shall be paid by Lesser to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be £2% of such production, to be delivered at Lessee's expinent to Lessor's credit at the oil purchaser's transportation facilities, provided that lessee shall have the continuing right to purchase such production at the wellbead market price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including easing head gas) and all other substances covered hereby, the royalty shall be £2% of the proceeds realized by Lessee from the rich tensor. It is a prevailing price of the primary term of any time the realize the easile gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which these commences its purchases hereunder; and (c) if at the end of the primary term of any time thereather one or more wells on the leased premises or lands pooled therewith are capable of either production of substances covered hereby in paying quantities or such wells are waiting on hydrocardines on the lease of production therefrom is not being soil by Lessee, such well or wells are reported pays high the purchase of the primary term of any time thereather one or more wells on the leased premises or lands pooled therewith are production there

- develop the leased premises as to furnations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (a) to protect the teased premises from incompensated drainings by any well or wells located on other lands not pooled therewith. There shall be no economic to drill exploratory wells or any additional wells except as expressly provided herein.

 6. Lesses shall flave the right but not the obligation to pool all or any part of the leased premises, or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lesse, either before or after the commencement of production, whenever Lesses deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well or gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%, and for a gas well or horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%, and for a gas well or horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%, and for a gas well or horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%, and for a gas well or horizontal completion shall not have the meanings prescribed by applicable law or the appropriate governmental authority, or fine definition in so a past of the foregoing, the terms of which the control of the shall maximum acreage to the terms of 100,000 cubic feet or more per barrel, based on 2.4 horizontal complenent thereof. In exercising its pooling rights hereunder, and the control of 100,000

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interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained

- interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of rorsh, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises. except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled thecewith, the ancillary rights granted herein shall apply (a) to the entire leased premises of seribed in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor row or hereafter last authority to grant such rights in the vicinity of the leased premises or analyse producing or hereafter last authority to grant such rights in the vicinity of the leased premises or analyse pole derivention. Lessee shall payed depth of partial states with payed of partial states and the production of the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

 11. It is production or other lands such by the production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or
- offer at the price and according to the terms and conditions specified in the offer.
- 13. No litigation shall be initiated by Lessor with respect to any breach or defaul, by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.
- 14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the lead on develop the leased premises of this lesse. the land and survive any termination of this lease.

with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease. Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or under influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

ACKNOWLEDGMENT

STATE OF TOXOS

COUNTY OF Tarrant

known to me to be the person(s) whose name(s) is (are) subscribed to the forgoing instrument, and acknowledged to me that he/she/they executed the same for the purposes and consideration their expressed, in the capacity therein stated, and as the act and deed of said Morice and Christian Dackwell

LAWANDA ANNETTE BESSEY ry Public, State of Texas My Commission Expires April 17, 2011

Notary Public, State of Notary's name (printed):

Notary's commission expires:

<u>anda</u>

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

TURNER OIL AND GAS 1314 LAKE STREET 202 FT WORTH, TX 76102

Submitter: TURNER OIL & GAS PROP, INC.

DO NOT DESTROY WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration:

3/31/2010 4:04 PM

Instrument #:

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PGS

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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: DBWARD